

# **AWS Cloud EC2 Pricing**

**Topics**: AWS

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Amazon EC2 (Elastic Compute Cloud) pricing is based on various factors, including the chosen instance type, region, and additional features such as storage and data transfer. It's important to understand the different components that contribute to the overall cost of running EC2 instances.

## 1. On-Demand Instances:

- On-Demand Instances are priced per hour or per second, depending on the instance type, with no upfront costs or long-term commitments.
- Users pay for the compute capacity they consume on an hourly or per-second basis.

### 2. Reserved Instances:

- Reserved Instances offer significant cost savings (compared to On-Demand pricing) for users who commit to a one- or three-year term.
- Users can choose between Standard Reserved Instances, Convertible Reserved Instances (allowing flexibility to change the instance type), and Scheduled Reserved Instances (available within specific time windows).

### 3. **Spot Instances:**

- Spot Instances allow users to bid for unused EC2 capacity, potentially offering substantial cost savings.
- Users pay the Spot price, which fluctuates based on supply and demand for spare EC2 capacity.

### 4. Dedicated Hosts:

- Dedicated Hosts provide physical servers dedicated for users' use. Pricing is based on the chosen Dedicated Host type and region.
- Users can choose from On-Demand or Reserved pricing for Dedicated Hosts.

## 5. Data Transfer:

- Data transfer costs may apply for data sent out of AWS to the internet, other AWS regions, or to non-AWS regions.
- Data transfer between EC2 instances within the same AWS region is generally free.

## 6. EBS (Elastic Block Store) Volumes:

• Additional charges apply for EBS volumes attached to EC2 instances.

 $\circ$  Costs depend on the type and size of the EBS volume, as well as the amount of data stored.

## 7. Additional Features:

 Certain additional features, such as Elastic IP addresses, Load Balancers, and Auto Scaling, may have associated costs.

### 8. Free Tier:

• AWS offers a Free Tier for new users, providing a limited amount of EC2 usage at no cost for the first 12 months.

# 9. Savings Plans:

 $\circ$  AWS offers Savings Plans, which provide significant savings over On-Demand pricing in exchange for a commitment to a consistent amount of usage (measured in \$/hr) for a 1 or 3-year period.

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